

Guidelines for Proposals to Broadband Salaries of Exempt Management Positions

Effective October 15, 1999, the Washington State Personnel Resources Board adopted a resolution allowing agencies to request authority to broadband and adjust salaries of their exempt management positions. SHB 1268 moved exempt authority from the Personnel Resources Board to the Director of Personnel effective June 13, 2002. The Director has continued this practice and may authorize the placement of these positions into the exempt management bands and salary structure.

Salary banding is intended to increase flexibility for participating agencies when faced with the need to address pay issues for exempt management staff. With this flexibility, agencies will have increased authority and accountability to manage compensation. Agencies should ensure that pay adjustments are carefully considered and well documented. Further, agencies should consider the potential impact on all agency employees when considering salary increases for exempt managers. Requests to implement banding are to be directed to the Director of Personnel.

These guidelines are provided to assist agencies in securing approval to band their exempt management positions and, once banded, outlines the basis for and constraints on salary adjustments.

General Provisions:

- The creation and band establishment of any positions to be **newly exempted** must come to the Director of Personnel for consideration through the normal Director's meeting process, including an approved Fiscal Impact Statement.

An exempt banding proposal should acknowledge the requirement that the creation and band establishment of new exempt positions and exemption of existing positions must be brought to the Director's meeting following established procedures. Such Director's meeting packages must include an approved Fiscal Impact Statement as well as documentation of the basis for and method of exemption (e.g. specifically exempted by RCW 41.06.070 (3), Governor's pool, elected public official's pool).

- Agencies may band existing exempt positions after receiving administrative approval of their proposal by the Director of Personnel. (Note: Administrative review and determination does not require action at the Director's meeting).

An exempt banding proposal should demonstrate understanding that, following approval by the Director of Personnel, authority to broadband and adjust the salary of exempt management positions extends only to positions already exempted. The job class code for such positions usually begins with a "B". The positions covered by your proposal should be listed.

- Agencies are encouraged to include their DOP consultant on their exempt review committee.

Most agencies will establish a salary review committee to determine the band placement and any salary adjustments for their exempt management positions. Although not required, involving your DOP HR Consultant on this committee will keep DOP well-informed of your activity and provide another experienced source of position evaluation as well as an objective, outside viewpoint.

- Following implementation of banding, agencies may adjust the salary **within the band** to reflect a legislatively directed general and/or special increase, or to address documented recruitment or retention problems or agency and/or state internal salary relationship issues. Additionally, agencies may provide progression increases in recognition of the employee's demonstrated growth and development and/or in recognition of the employee's sustained excellence. Progression adjustments initiated by the agency normally will not exceed a total of 25 percent during the tenure of an employee's appointment to a position (as long as the position's duties are unchanged or would not evaluate higher if new duties are assigned). Exceptions to the progression increase limit must be approved in advance by the Director of Personnel. Salaries for exempt positions **may not** be set outside the salary band unless authorized by the Director.

Any movement of a position to a different band is subject to administrative approval by the Director of Personnel prior to implementation.

An exempt banding proposal should acknowledge that movement between bands must be brought to the Director of Personnel and that adjustments exceeding the limitations specified must be brought to the Director of Personnel prior to implementation.

- A report of all salary activity/adjustments for exempt positions will be submitted to the Director of Personnel either semi-annually or as agreed between the agency and DOP staff.

The proposal should indicate willingness to submit a regular report of exempt activity in the format determined by DOP and should recommend a frequency that correlates with the expected level of activity. This will enable DOP to carefully track exempt position adjustments.

Banding Proposals:

The following information should be included in a request to band existing exempt positions:

1. A description of how the positions will be transitioned into the established bands, and inclusion of an approved Fiscal Impact Statement.

Ideally, proposals would demonstrate the movement of existing positions into a broadband through completion of the following chart. If the band for each position has not been determined at the time of the proposal for broadbanding authority, "anticipated" or "to be determined" may be entered in the final two columns below as necessary. However, when evaluation is complete, this information along with an approved fiscal impact statement is to be submitted to the Director of Personnel for review and approval prior to implementation.

<i>Class Code</i>	<i>Title</i>	<i>Pos. No.</i>	<i>Range</i>	<i>Present Step</i>	<i>\$ Amount</i>	<i>Proposed Band</i>	<i>Proposed \$ Amount</i>
BXXX	Asst Dir, Ops	XXXX	XX	X	\$XX,XXX	EMSX	\$XX,XXX

2. The method to be used to adjust position salaries within a band (e.g. evaluation, alignment, recruitment/retention, job growth, etc.)

Describe the methodology and/or techniques and/or considerations to be used to evaluate positions and determine adjustments. This may include JVAC or Willis evaluation, documented recruitment or retention problems, documented alignment issues, etc.

3. A method for incumbents to share their viewpoint with the agency's exempt review committee.

Describe how incumbents will have an opportunity to present their perspective on the salary determined for their position. This process should include written notification advising the incumbent of band placement, any salary adjustments and their opportunity for input.

4. Who the agency's final decision maker will be for salary adjustments within a band.

Provide the name and title of the agency official who will make the final decision for adjustments within a band.